

# **Department of Health Care Services**

## **Activities Relating to**

### **Medi-Cal Dental Managed Care**

#### **Report to the Legislature**

**April 2015**



## Table of Contents

Executive Summary .....	2
<b>Key Highlights from 2014</b> .....	2
Background .....	3
Ongoing Efforts .....	3
<b>Beneficiary Dental Exception Process</b> .....	3
<b>Oral Health Learning Collaborative</b> .....	5
<b>Quality Improvement Projects</b> .....	5
<b>Medical-Dental Collaboration Project</b> .....	6
<b>General Anesthesia</b> .....	7
Updated Enrollment Figures.....	8
<b>Affordable Care Act and Medicaid</b> .....	8
<b>Low Income Health Program Transition</b> .....	8
<b>Express Lane Enrollment</b> .....	8
DHCS Partnerships.....	9
<b>Department of Managed Health Care</b> .....	9
<b>Medi-Cal Dental Advisory Committee</b> .....	10
<b>Los Angeles Stakeholder Group</b> .....	11
<b>Benefits Identification Card Insert</b> .....	11
<b>Choice Packets</b> .....	12
Legislative Action .....	12
<b>Restoration of Certain Adult Dental Benefits</b> .....	12
<b>Assembly Bill 1174 Dental Professionals: Teledentistry under Medi-Cal</b> .....	12
<b>Virtual Dental Home</b> .....	12
Dental Managed Care Utilization.....	13
<b>Performance Measure and Benchmark Withholds</b> .....	14
<b>Corrective Action Plan</b> .....	14
Future Endeavors.....	15
<b>Consumer Assessment of Healthcare Providers and Systems Survey</b> .....	15
<b>Value-Based Purchasing</b> .....	16
<b>Medi-Cal Dental Dashboard</b> .....	16
Conclusion .....	16

## **Executive Summary**

The Department of Health Care Services (DHCS) delivers dental services to Medicaid (Medi-Cal in California) beneficiaries through two (2) delivery systems: Dental Managed Care (DMC) and Denti-Cal Fee-For-Service (FFS). DMC is carried out through contracts established between DHCS and dental plans licensed with the Department of Managed Health Care (DMHC), whereas, Denti-Cal FFS provides services through enrolled providers, who are enrolled by the Fiscal Intermediary. DMC is offered only in Los Angeles County and Sacramento County. Between the two (2) counties, there are approximately 780,000 beneficiaries receiving care under DMC. Assembly Bill (AB) 1467 (Committee on Budget, Chapter 23, Statutes of 2012), requires DHCS to provide an annual report to the Legislature on DMC in the counties of Sacramento and Los Angeles.

### ***Key Highlights from 2014***

In 2014, DHCS made various efforts to improve DMC through collaboration with DMC plans, stakeholders, and the Legislature including:

- Development and implementation of a new methodology for establishing and evaluating county specific Performance Measures and Benchmarks (PMBs) in the Geographic Managed Care (GMC) contracts for Sacramento County beginning January 1, 2013, and the Pre-paid Health Plan (PHP) contracts for Los Angeles County beginning July 1, 2013;
- Validation of claims data for contract year 2014, demonstrating:
  - Sacramento County GMC program average Annual Dental Visit (ADV) utilization percentage remained consistent in comparison to the previous contract year.
  - Los Angeles County PHP program average ADV utilization percentage increased in comparison to the previous contract year.
- Collaboration with Children Now to promote better oral health and preventive education for children in California through the Medical-Dental Collaboration project;
- A Virtual Dental Home (VDH) component will be implemented in the DMC program as a result of AB 1174 (Chapter 662, Statutes of 2014);
- Ongoing work with stakeholders to improve beneficiary educational materials and outreach mechanisms for Medi-Cal dental beneficiaries;
- Development of guidelines for decisions about hospital dentistry, anesthesia, and sedation with the assistance of various stakeholders to assist providers in determining the appropriate location to render applicable services;
- Restoration of some previously eliminated optional adult dental services to Medi-Cal beneficiaries ages 21 and older, effective May 1, 2014, to bring adult beneficiaries back up to a basic level of dental health; and
- Development and implementation of an internal Medi-Cal dental dashboard that allows for easy interpretation and analysis of the Medi-Cal dental data and for more effective monitoring of the dental plans. Plans are also underway to make available an outward facing version of the dental dashboard in the future.

## Background

DMC was established in the 1990's to provide dental services to Medi-Cal beneficiaries. These services are provided through contracts that DHCS has with dental plans licensed by DMHC, pursuant to the Knox-Keene Health Care Services Plan Act of 1975 (Knox-Keene Act). DHCS pays the contracted dental plans a capitation payment per-member, per-month to provide oral health care to DMC beneficiaries enrolled in the dental plan. DMC beneficiaries are assigned to a specific provider to establish a relationship creating a "dental home."

DHCS is responsible for overseeing dental plan contracts in both Sacramento and Los Angeles Counties. DHCS ensures DMC contractual requirements comply with State and Federal statutes, regulations, and policies while providing access to dental care services for Medi-Cal beneficiaries. In Sacramento County, Medi-Cal beneficiaries are mandatorily enrolled (with the exception of specific populations) into a contracting dental plan. Approximately 330,000 beneficiaries are currently enrolled in DMC plans in Sacramento County. In Los Angeles County, Medi-Cal beneficiaries have the option to enroll into DMC or Denti-Cal FFS. Approximately 450,000 beneficiaries are currently enrolled in DMC plans in Los Angeles County.

## Ongoing Efforts

DHCS employed the following efforts to strengthen DMC and achieve increases in utilization rates in the Medi-Cal population in 2014:

- Close oversight and monitoring of DMC plans to ensure contract provisions and performance standards are being met and to hold them accountable for meeting these contractual requirements;
- Transparency and public reporting of DMC service delivery while abiding by the Department public aggregate reporting requirements;
- Collaborated with DMC plans and stakeholders to increase children's utilization rates through beneficiary education and outreach; and
- Collaborated with the Centers for Medicare and Medicaid Services (CMS), DMC plans, and stakeholders to educate adult beneficiaries regarding restoration of certain adult dental services.

## ***Beneficiary Dental Exception Process***

The Beneficiary Dental Exception (BDE) process was established pursuant to Welfare & Institutions (W&I) Code §14089.09, for individuals mandatorily enrolled into dental plans in Sacramento County, who have issues accessing dental services. The statute allows DHCS to work with the dental plans to facilitate scheduling an appropriate appointment within specified contractual timeframes in accordance with the Knox-Keene Act based on the identified needs of the beneficiary. The intent of BDE is to ensure timely access to care. In the event timely access is not possible under DMC, the beneficiary will be permitted to disenroll from DMC and transition into Denti-Cal FFS. Under Denti-Cal FFS, individuals can select any provider in the Denti-Cal FFS network and access services without an assigned dental home. The BDE has been operational since

September 2012. Monthly BDE reports<sup>1</sup> are published on the Medi-Cal Dental Services program website. As of November 2014, the BDE received approximately 4,400 incoming inquiries, of which 602 were requests for DHCS to facilitate scheduling an appointment with the beneficiary's assigned plan. Further breakdown of BDE requests for calendar year 2014 are as follows:

- 459 out of 602 BDE requests have been closed successfully as a result of DHCS facilitating appointments and verifying that beneficiaries kept their appointments and received treatment;
- 130 of the 602 BDE requests were categorized as unsuccessful due to beneficiaries not showing up to their scheduled appointments;
- 13 of 602 BDE requests currently have appointments scheduled to receive dental services and will be closed when treatment is completed;
- Of the 602 BDE requests, 234 were children under the age of 21 and 368 were adults;
- No cases were transitioned from GMC to Denti-Cal FFS;
- 100 percent success rate with warm transfers resulting in the GMC plans scheduling appointments within the *Timely Access to Non-Emergency Health Care Services* standards;
- Notification provided to existing GMC beneficiaries regarding the BDE process if they had not previously been notified;
- Notification to new GMC beneficiaries about the BDE process no later than 90 days after program enrollment; and
- Implemented a procedure to provide ongoing annual notifications to all GMC beneficiaries about the BDE process.

In addition to helping beneficiaries' access timely dental care, the BDE affords beneficiaries the opportunity to obtain information regarding their eligibility status and plan or provider information. DHCS contacts each beneficiary via a follow-up phone call after their scheduled appointment to verify that the services needed were received, and to solicit feedback regarding their overall satisfaction of services received from their provider. The feedback received is assessed so that concerns related to the dental care provided may be shared with the respective GMC plan for follow up, as appropriate.

In 2014, DHCS experienced an approximate 563 percent increase in the average number of phone calls and an approximate 230 percent increase in the average number of correspondences received for the BDE from the previous calendar year. These increases were due to inquiries regarding available dental services as a result of the restoration of certain adult dental benefits, effective May 1, 2014. Additionally, the increased call and correspondence volume is also likely attributable to the annual notices regarding the BDE process that began being issued to existing GMC beneficiaries beginning in June 2014.

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<sup>1</sup> [Department of Health Care Services: Monthly Beneficiary Dental Exception Reports](#)

### ***Oral Health Learning Collaborative***

DHCS is one (1) of seven (7) states participating in an Oral Health Learning Collaborative<sup>2</sup> with the Center for Health Care Strategies (CHCS). This National Oral Health Initiative<sup>3</sup> (OHI) is aimed at improving children's oral health care access. In 2012, each state developed an Oral Health Action Plan with the aim to achieve the following goals:

- Increase the proportion of children enrolled in Medicaid or a Children's Health Insurance Program (CHIP), who receive a preventive dental service by ten (10) percentage points; and
- Increase the proportion of children ages six (6) to nine (9) enrolled in Medicaid or a CHIP, who receive a dental sealant on a permanent molar tooth by ten (10) percentage points.

DHCS has made efforts to achieve the aforementioned goals through the development of new program policies, including but not limited to: (1) the development of policies to authorize dental hygienists to bill the Medi-Cal dental program for preventive services provided in public health programs; and (2) the development of protocols and guidelines in conjunction with stakeholder input for use by schools and School-Based Health Centers interested in establishing school-based sealant programs. Additionally, the following program modifications are underway to assist in accomplishing the CHCS goals as well:

- Require all Federally Qualified Health Centers and other federally funded health centers providing dental services to Medi-Cal beneficiaries to report utilizing Current Dental Terminology (CDT) procedure codes;
  - Collaborate with other DHCS programs to provide guidance and technical assistance to the California Primary Care Association and its members to facilitate smooth transition to reporting CDT codes once applicable system and administrative changes are completed;
- Develop policy and implement system changes to allow Head Start and Women, Infants & Children programs to provide fluoride varnish applications and to allow the supervising dentist to bill for services rendered under their provider identification number; and
- Make administrative and systematic changes to facilitate the enrollment of allied dental professionals into the Medi-Cal dental program for the provision of preventive services.

DHCS will continue to support and engage stakeholders in efforts to further advance the goals of the DHCS Oral Health Action Plan.

### ***Quality Improvement Projects***

The DMC plans are contractually obligated to conduct and/or participate in two (2) DHCS-approved Quality Improvement Projects (QIPs), one (1) of which is designated by the Department and the other of which is proposed by the plans. DHCS has

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<sup>2</sup> [Center for Health Care Strategies, Inc.: Medicaid Oral Health Learning Collaborative](#)

<sup>3</sup> [Centers for Medicare and Medicaid Services: Oral Health Initiative and Other Dental-Related Items](#)

approved a plan proposed QIP for each DMC plan. The DMC plan QIPs began on August 1, 2014, and will continue through July 1, 2016.

Both LIBERTY Dental Plan (LIBERTY) and Health Net of California (Health Net) have worked collaboratively to develop a QIP. Their project goals are as follows:

- Increase the proportion of children ages 1 through 20 enrolled in a Medicaid program for at least 90 consecutive days who receive a preventive dental service by four (4) percentage points over a two (2) year period; and
- Increase the proportion of children ages six (6) to nine (9) enrolled in a Medicaid program for at least 90 days who receive a dental sealant on a permanent molar tooth by four (4) percentage points over a two (2) year period.

The QIP goals for Access Dental Plan (Access) are as follows:

- Identify baseline utilization for the enrolled population for established DMC performance measures;
- Identify variances within the enrolled population utilizing demographic information and statistics, such as ethnicity and cultural differences; and
- Utilize the demographic information and statistics to develop and test intervention strategies to increase utilization.

DHCS has approved each plan-proposed QIP and will monitor their progress on a quarterly basis through the aforementioned completion date. DHCS will provide updates regarding the best practices discovered and the data obtained as a result of these QIPs in future DMC Reports to the Legislature. After the completion of the plan proposed QIP, DHCS is considering implementing a State mandated QIP to fulfill the second QIP obligation, informed by DMC utilization and access to care data. The Department will consult with stakeholders during the development phase of the second QIP.

### ***Medical-Dental Collaboration Project***

Children Now, a nonprofit advocacy organization dedicated to promoting children's health and education in California, was awarded an OHI implementation grant for 2014, from the DentaQuest Foundation. The grant supports Children Now's implementation of a pilot project to strengthen medical and dental collaboration in Los Angeles County in order to increase preventive dental service utilization among children from ages one (1) through six (6), who are currently enrolled in Medi-Cal and have not had a dental visit within the past 12 months.

In order to achieve this goal, Children Now contacted DHCS for support and assistance in improving the oral health quality for publicly insured children in Los Angeles County through medical and dental integration. With the support of DHCS, Children Now, DMC plans, Medical Managed Care Plans, and Denti-Cal FFS are working collaboratively toward the implementation of this pilot project to improve dental utilization for the designated population in Los Angeles County.

DHCS has reviewed data for a designated population, ages one (1) through six (6), who are currently enrolled in Medi-Cal and have not had a dental visit within the past 12 months. This data was used to locate primary care physicians and dentists to participate in the efforts of increasing dental utilization for children through educational materials and a direct dental referral method from their doctors.

The Medical-Dental Collaboration pilot project is nearing the implementation phase, and DHCS hopes to see improved oral health outcomes for Los Angeles County children through the efforts of medical and dental integration.

### ***General Anesthesia***

Sutter Medical Center, Sacramento (SMCS) announced their intent to stop providing dental services to all patients, regardless of payor, effective Summer 2014. As a result, DHCS participated in a meeting facilitated by Senator Darrell Steinberg in which DHCS, stakeholders, the Senator and his staff engaged in a discussion to determine possible solutions to ensure that Medi-Cal beneficiaries maintain access to medically necessary general anesthesia services. The attendees reached a consensus to develop a regional solution through the following work groups: (1) establishing protocols, (2) identifying administrative barriers, and (3) increasing the provider pool.

During work group sessions, concerns regarding reimbursement rates and treatment protocols were also discussed by stakeholders. Subsequently, protocols were established and were submitted to Senator Steinberg on September 1, 2014. DHCS developed and released a work plan to keep track of progress made in addressing the concerns raised in work group sessions. DHCS staff continued working internally to establish consistent policy across the medical and dental programs with respect to the provision of dental services under general anesthesia utilizing the established protocols as a guide. DHCS anticipates the policies will be established early in calendar year 2015. Once established, DHCS policies will be communicated with stakeholders and the provider community via provider bulletins and policy letters. As a result of work group efforts, SMCS agreed to continue providing dental services through December 31, 2014. In December 2014, SMCS announced that they will continue to accept limited dental cases in calendar year 2015 for the most vulnerable populations.

DHCS will continue to engage work group participants and stakeholders to assist Medi-Cal beneficiaries statewide who are in need of hospital dentistry services maintain timely access to care by increasing cooperation and interaction between DHCS and alternative care locations, releasing materials that provide guidance on DHCS policy regarding treatment and triage protocols for dental services under general anesthesia, and by assessing the reimbursement rates for all dental anesthesia services on a continual basis.



## Updated Enrollment Figures

### ***Affordable Care Act and Medicaid***

On January 1, 2014, California launched the Patient Protection and Affordable Care Act<sup>4</sup> and the Health Care and Education Reconciliation Act of 2010, known as the ACA and an expansion of Medi-Cal. ACA provides federal financing, and initiates improvements to the administration of healthcare nationwide. As a result of ACA, Covered California was established as the insurance marketplace for California where uninsured and underinsured persons may apply for health coverage. Since ACA implementation and Medi-Cal expansion, more than three (3) million individuals have been determined eligible for Medi-Cal coverage. As of September 2014, approximately 73,000 beneficiaries were enrolled into GMC and approximately 77,000 beneficiaries were enrolled in PHP as a result of the ACA. In addition, the expansion included those who transitioned from the Low Income Health Program (LIHP) and individuals who enrolled through the Express Lane Enrollment. These two programs are highlighted below:

#### ***Low Income Health Program Transition***

As part of ACA and the expansion of Medi-Cal, most enrollees in county LIHPs transitioned into Medi-Cal on January 1, 2014, while others obtained eligibility for other health coverage options through Covered California. The population of LIHP enrollees who transitioned is categorized as adults from ages 19 to 65. Approximately 21,900 beneficiaries transitioned into DMC as a result of the LIHP transition, around 11,500 of the 21,900 (52.5%) beneficiaries enrolled into GMC and around 10,400 of the 21,900 (47.5%) beneficiaries enrolled into PHP.

#### ***Express Lane Enrollment***

Beginning February 2014, a streamlined Medi-Cal enrollment process was implemented for current recipients of Supplemental Nutrition Assistance Program (CalFresh) who were not enrolled in Medi-Cal or LIHP. The targeted population for the Express Lane Enrollment<sup>5</sup> encompasses approximately 600,000 adults (aged 19-64) and 150,000 children (under age 19). Using federal flexibilities, DHCS is permitted to grant Medi-Cal eligibility without the need for an additional application for twelve (12) months by utilizing the CalFresh information as the source of the Medi-Cal eligibility information for the targeted populations. These flexibilities are operational through December 31, 2015.

Income and residency has already been established for CalFresh enrollees and DHCS only needed to conduct necessary citizenship and identity verifications to comply with CMS regulations specific to enrollment into Medicaid. Beginning February 2014, affirmation letters were sent in phases to the targeted adult populations, and then followed by letters mailed to the parent/guardian of participating children.

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<sup>4</sup> [Federal Affordable Care Act 2013](#)

<sup>5</sup> [Department of Health Care Services: Express Lane](#)

The letter provided information to them regarding their eligibility to enroll in Medi-Cal. Most CalFresh enrollees residing in Sacramento County who elect this express enrollment process will have to select a DMC plan to receive dental services from, while enrollees in Los Angeles County will have the option to enroll into a DMC plan or Denti-Cal FFS to receive dental services. Approximately 23,300 beneficiaries transitioned into DMC as a result of the CalFresh transition, around 8,300 of the 23,300 (35.6%) beneficiaries enrolled into GMC and around 15,000 of the 23,300 (64.4%) beneficiaries enrolled into PHP.

## DHCS Partnerships

DHCS constantly strives to improve its services and is committed to maintaining effective, open communication and engagement with the public, our partners, and other stakeholders to assist in accomplishing this goal. The following sections highlight accomplishments that have been made in the DMC program in calendar year 2014 as a result of these partnerships.

### ***Department of Managed Health Care***

Pursuant to California Health and Safety Code §1380 and §1382, DMHC must regularly conduct administrative surveys and financial examinations of the dental plans participating in DMC. In November 2013, DHCS finalized an Inter-Agency agreement with DMHC to develop survey review tools specific to both Knox-Keene Act and DMC contract requirements and to hire staff to conduct the dental plan surveys and financial examinations. To ensure all dental plans are in compliance with the Knox-Keene Act, DMC plan surveys and financial examinations began in January 2014.

DMHC conducted a Routine Survey, of LIBERTY in January 2014<sup>6</sup>. The survey produced two (2) DHCS contract findings, and no Knox-Keene Act findings. Both contractual findings were corrected by LIBERTY in calendar year 2014. Table 1 below outlines the contract findings in more detail.

**Table 1: DMHC Routine Contract Findings for LIBERTY**

Finding Number(s)	LIBERTY Contract Finding(s)	Status
1	The Plan's provider manual, with instructions and updates, sent to the providers of Medi-Cal dental services, does not contain all information required in DHCS Medi-Cal Dental Geographic Managed Care contract.	Corrected
2	The Plan does not have a written policy addressing the requirement to provide written notifications to enrollees at least thirty days prior to the effective date of any changes in the grievances, appeals, and State Fair Hearings processes and procedures. The Plan did not notify enrollees at least thirty days prior to the effective date of any changes in the grievances, appeals, and State Fair Hearings processes and procedures.	Corrected

DMHC has worked diligently to ensure plans are compliant with not only Knox-Keene Act provisions, but also DHCS contract requirements. The collaboration between both

<sup>6</sup> [Department of Managed Health Care: Final Routine Survey Report of LIBERTY Dental Plan of CA, INC.](#)

departments has facilitated a strong working relationship to ensure plans are operating in accordance with the expectations of DHCS and DMHC. DHCS acknowledges the value of this partnership and its contribution in ensuring the compliance of the DMC plans.

### ***Medi-Cal Dental Advisory Committee***

Pursuant to W&I Code §14089.08, Sacramento County was authorized to establish the Sacramento County Medi-Cal Dental Advisory Committee (MCDAC), comprised of providers, plans, researchers, advocates, beneficiaries, and DHCS representatives. The intent of MCDAC is to provide input on the delivery of oral health and dental care services, including prevention and education services, DMC and Denti-Cal FFS, as well as collaborate and examine new approaches to beneficiary care and maximize dental health by recommending improvements to DHCS. MCDAC holds monthly meetings to discuss findings and potential improvements to DMC in Sacramento County. MCDAC completed the following efforts in 2014:

- Continued efforts to distribute educational materials that provide Medi-Cal beneficiaries with information on how to schedule dental appointments, including the “*How to Successfully Make a GMC Dental Appointment*”<sup>7</sup> flyer;
- Continued efforts pertaining to the Car Seat Pilot Program for medical and dental appointments for families without cars; 106 car seats were distributed to nine (9) Family Resource Centers to enhance their free car seat safety training classes in 2014;<sup>8 9</sup>
- Contributed feedback on the development of a statewide Benefits Identification Card (BIC) insert pertaining to Medi-Cal beneficiary eligibility for dental benefits;
- Worked collaboratively with DHCS and Senator Steinberg’s office to develop a regional solution regarding access to dental care in hospitals settings with respect to the closure of SMCS surgical facilities to all dental services; and
- Partnered with the DMC plans to develop a *Prior Authorization (PA) Approvals Flowchart* for hospital dentistry to assist providers and beneficiaries with better understanding of the PA approval process.

In an ongoing effort to cultivate a richer working relationship with DHCS and to provide advisement on the enhancement of dental care in the Sacramento County DMC program, MCDAC has established the following goals for 2015:

- Provide recommendations to DHCS to assist with continued efforts to improve utilization and access to care in Sacramento County;
- Partner with DMC plans to focus on outreach efforts and education to Medi-Cal constituents;
- Provide support and feedback to DHCS with respect to the implementation of the VDH as a result of AB 1174;
- Work with legislative leaders in 2015 to improve DMC and continue work to increase dental provider reimbursement rates and address associated concerns;

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<sup>7</sup> [First 5 Flowchart of How to Successfully Make a GMC Dental Appointment](#)

<sup>8</sup> [First 5 Car Seat Pilot Program Background Information](#)

<sup>9</sup> [First 5 Car Seat Pilot Program Flyer](#)

- Support the California State Auditor Audit recommendation with regard to the 2013, ten (10) percent provider payment reduction;
- Track progress of the California of Public Health's Dental Director hiring process and possible partnership;
- Continue work on improving access to care in hospital settings in Sacramento County, including the potential establishment of a surgery center;
- Present a proposal to State representatives regarding the return of the California Children Dental Disease Prevention Program;
- Continue to work collaboratively with DHCS to monitor the impact of increased Medi-Cal beneficiary enrollment; and
- Continue to work collaboratively with the Los Angeles Stakeholder Group (LA Stakeholder Group) to address mutual concerns and projects.

### ***Los Angeles Stakeholder Group***

The LA Stakeholder Group provides input on the delivery of oral health and dental care services in Los Angeles County, which offers both DMC and Denti-Cal FFS. The LA Stakeholder Group is comprised of dental providers, managed care plan representatives, researchers, statewide and community advocates, beneficiaries, County and State representatives, and DHCS staff that raise and discuss barriers to care for Medi-Cal beneficiaries, specifically children, pregnant women, and patients residing in Intermediate Care Facilities or Skilled Nursing Facilities. The Group meets bi-monthly to review data on Los Angeles County Medi-Cal enrollees access to dental care; identify gaps in access; and assess new approaches to beneficiary education and provider incentives, while collaborating on efforts aimed to improve timely access to dental care. The LA Stakeholder Group completed the following efforts in 2014:

- Educated Medi-Cal beneficiaries through various outreach methods regarding the importance of good oral health;
- Contributed feedback on the development of a statewide BIC insert pertaining to Medi-Cal beneficiary eligibility for dental benefits;
- Targeted children through educational materials and dental referrals from their doctor who have not received a dental visit in the last 12 months through the Medical/Dental Collaboration Project;
- Provided feedback on the revision of the Health Care Options (HCO) call center scripts to assist beneficiaries in their understanding of the restoration of certain adult dental services and their Medi-Cal dental benefits; and
- Provided feedback to assist DHCS in updating beneficiary Choice Packets to more effectively inform beneficiaries regarding their dental plan options.

### ***Benefits Identification Card Insert***

In November 2014, DHCS collaborated with several stakeholder groups and created outreach literature that was inserted into the statewide distribution of the BIC. This BIC insert was distributed over a period of four (4) weeks to approximately 300,000 beneficiaries. The purpose of the BIC insert was to bring awareness to Medi-Cal beneficiaries about their dental benefits and to provide a contact telephone number to answer questions regarding the Medi-Cal dental program. DHCS plans to continue to provide the inserts on a regular basis moving forward, and will also be looking into

additional mechanisms by which current beneficiaries can be provided similar information.

### ***Choice Packets***

DHCS collaborated with the LA Stakeholder group to make revisions to the choice packets that are dispersed to Medi-Cal dental beneficiaries who reside in Los Angeles County. The goal was to improve materials used to communicate with beneficiaries regarding the availability of Medi-Cal dental benefits and to encourage them to make active provider choices. The revisions included additional information regarding DMC and Denti-Cal FFS programs and emphasized the differences between both delivery systems. DHCS also worked with stakeholders on improving educational materials within the packet which pertained to successfully scheduling dental appointments. The updated version of the Los Angeles County choice packet will be distributed in mid-2015.

## **Legislative Action**

### ***Restoration of Certain Adult Dental Benefits***

DHCS reinstated some previously eliminated optional adult dental services to Medi-Cal beneficiaries ages 21 and older. On June 27, 2013, Governor Brown signed AB 82 (Committee on Budget, Chapter 23, Statutes of 2013), which restored certain adult dental benefits to the Medi-Cal Dental program effective May 1, 2014. On April 29, 2014, DHCS obtained federal approval from CMS for State Plan Amendment 13-018 for the restoration of certain adult dental services effective May 1, 2014. The goal of this restoration was to enable beneficiaries, ages 21 and older, to be brought up to a basic level of dental health. This approach allowed for the restoration of existing teeth, but not the replacement of missing teeth, except for complete dentures, and provided basic preventive services to maintain these teeth. Medi-Cal beneficiaries were notified about the restoration of certain dental benefits for adults in March 2014, June 2014, and September 2014, through a mass beneficiary mailing. Through this “restore but not replace” approach, basic preventive, diagnostic, and restorative services are provided.

### ***Assembly Bill 1174 Dental Professionals: Teledentistry under Medi-Cal***

On September 27, 2014, Governor Brown signed AB 1174, which accomplished the following objectives: (1) extended “store and forward” technology to dental providers thus allowing Medi-Cal providers to practice “teledentistry by store and forward,” as defined to mean the asynchronous transmission of medical information to be reviewed at a later time by a licensed dental provider at a distant site; (2) authorized modest scope of practice expansions for several types of dental professionals; and (3) extended the duration of Health Workforce Pilot Project No. 172 until January 1, 2016. DHCS is currently in the process of working with DMC plans and community partners to implement a VDH component in the DMC program as a result of this legislation.

### ***Virtual Dental Home***

VDH is a community-based oral health delivery system in which beneficiaries receive preventive and simple therapeutic services in community settings. VDH utilizes telehealth technology to facilitate the diagnosis, consultation, and

treatment of a patient's health care by their primary care dentists and allied dental professionals. DHCS anticipates that the implementation of VDH will assist beneficiaries residing in medically underserved areas in overcoming barriers associated with accessing care by using technology to bring the care to the individual. DHCS expects VDH will be implemented in the DMC program in July 2015 or shortly thereafter.

## Dental Managed Care Utilization

DHCS is committed to developing effective strategies to increase utilization across all dental plans. This commitment aligns with CMS' goal to improve access to oral health services for children. DHCS anticipates that preventive dental services for children will increase in 2015, through beneficiary and provider education and outreach efforts, continued provider access, and increased monitoring of DMC.

In an effort to assess the overall status of the DMC program, DHCS has developed and implemented a new methodology for establishing and evaluating PMBs at a by-county level as opposed to the original methodology, which used statewide Denti-Cal FFS utilization data to establish benchmarks. The charts below show validated claims data for ADV for children under the age of 21 separated by plan and county for the applicable contract period. Please note the reported contract period below for GMC is calendar year 2014, and the reported contract period below for PHP is fiscal year (FY) 13–14.<sup>10</sup>

In 2014, the average utilization percentage for ADV remained consistent for the Sacramento County GMC program in comparison to 2013 as validated by DHCS. In FY 13–14, the average utilization percentage for ADV increased for the Los Angeles County PHP program in comparison to FY 12–13 as validated by DHCS. However, it is important to note the validated claims data shown below does not reflect complete run-out as DMC plans are contractually permitted to submit encounter data for up to six (6) months following the date of service, and as such there may be a slight variation in percentages once run out has completed. This is depicted by the forecasted data shown in the Tables 2 and 3 below.

**Table 2: Sacramento County Annual Dental Visit Utilization - Children Ages 0 through 20**

<b>GMC PLANS</b>	<b>2013 Validated</b>	<b>2014 Validated*</b>	<b>2014 Forecasted Validated Data **</b>
<b>Access</b>	32.5 percent	33.7 percent	34.5 percent
<b>Health Net</b>	39.8 percent	39.5 percent	39.3 percent
<b>LIBERTY</b>	42.7 percent	41.6 percent	42.0 percent
<b>Average GMC Utilization</b>	38.3 percent	38.3 percent	38.6 percent

\*The contract period is from January 1, 2014, through December 31, 2014. The table displays validated claims data captured from January 1, 2014, through September 30, 2014, and does not include complete run-out of claims data for the contract period.\*\*The forecasted utilization percentage was calculated utilizing validated claims data and trends captured from January 1, 2014, through September 30, 2014, to account for complete run-out of claims data based on historical information for the contract period.

<sup>10</sup> The time period covered by fiscal year 13–14 is July 1, 2013, through June 30, 2014.



**Table 3: Los Angeles County Annual Dental Visit - Children Ages 0 through 20**

PHP PLANS	FY 12-13 Validated	FY 13-14 Validated*	FY 13-14 Forecasted Validated Data**
<b>Access</b>	33.7 percent	36.9 percent	36.9 percent
<b>Health Net</b>	38.4 percent	42.0 percent	41.9 percent
<b>LIBERTY</b>	37.7 percent	37.2 percent	37.2 percent
<b>Average PHP Utilization</b>	36.6 percent	38.7 percent	38.7 percent

\*The contract period is from July 1, 2013, through June 30, 2014. The table displays validated claims data captured from July 1, 2013, through June 30, 2014, and does not include complete run-out of claims data for the contract period.

\*\*The forecasted utilization percentage was calculated utilizing validated claims data and trends captured from July 1, 2013, through June 30, 2014, to account for complete run-out of claims data based on historical information for the contract period.

Healthcare Effectiveness Data and Information Set (HEDIS)-like criteria were utilized to calculate the ADV rates for the data displayed in Table 2 and Table 3 above. HEDIS is a widely used set of performance measures in the managed care industry, which was designed to compare health plan performance to other plans to set benchmarks.

DHCS uses a more inclusive list of procedures codes because it is believed to provide a more accurate picture of overall utilization. The data exhibited within this document are based on validated claims data retrieved from the Medi-Cal Management Information System/Decision Support System data warehouse through the Medi-Cal Dental Dashboard.

### ***Performance Measure and Benchmark Withholds***

DMC contracts also require DHCS to withhold ten (10) percent of a plan's monthly capitation payment and release it only when the plan achieves the set benchmarks. This methodology has been modified to determine the amount reimbursed to the plans at the end of the contract year based on the number of beneficiaries served, not to exceed ten (10) percent of the annual capitated rate. DHCS anticipates the new methodology will also encourage increased utilization across plans and contracts.

### ***Corrective Action Plan***

DHCS monitors all DMC plan utilization and services provided to beneficiaries on an ongoing basis through the quarterly PMBs reporting. PMBs are based on eleven (11) separate performance measures, which are stratified across various age ranges. Although the average utilization percentage in Sacramento and Los Angeles Counties has increased and/or remained consistent from the previous contract year, the DMC plans did not achieve the set ADV PMB for contract year 2014. Pursuant to the DMC contracts, DHCS has the authority to implement Corrective Action Plans (CAPs) for DMC plans who have repeated deficiencies in the PMBs. The plans are contractually obligated to implement a correction within a timely manner through strategies delineated in a CAP. The following nine (9) performance measures were evaluated on a quarterly

basis in 2013 and as a result, DHCS issued a CAP request to all three (3) DMC plans for the GMC contract:

- Annual Dental Visit;
- Use of Preventive Services;
- Uses of Sealants;
- Sealant to Restoration Ratio (Surfaces);
- Treatment/Prevention of Caries;
- Exams/Oral Health Evaluations;
- Use of Dental Treatment Services;
- Preventive Services to Fillings; and
- Overall Utilization of Dental Services.

In 2014, DHCS continued to monitor the CAPs submitted by the DMC plans on a quarterly basis, based solely on the above-mentioned PMBs, as the remaining two (2) PMBs require at least two (2) years of consecutive beneficiary eligibility for evaluation. DHCS has observed increases in various performance areas listed in the CAP strategies since monitoring of the CAPs began in calendar year 2013. In addition, DHCS has been facilitating meetings with the plans to encourage them to continue to improve utilization for all performance measures using the strategies outlined in the CAPs. All CAPs will remain in effect and will be assessed quarterly until utilization has increased at or above the benchmark delineated in the DMC contract(s) thereby ensuring all plans have met or exceeded the PMBs. Additionally, the financial withhold penalties will remain in place to encourage increased utilization and to ensure that the plans only receive credit for the beneficiaries they have served.

## **Future Endeavors**

The mission of DHCS is to provide Californians with access to affordable, high-quality health care. In response to the implementation of the ACA and to increase utilization amongst children, DHCS initiated efforts with advocacy groups and other agencies towards promoting oral health for Medi-Cal beneficiaries and expanding modalities used for the provision of dental services.

### ***Consumer Assessment of Healthcare Providers and Systems Survey***

DHCS is required by W&I Code § 14459.6 to conduct consumer satisfaction surveys. The intent of the survey is to evaluate member satisfaction with DMC providers. The consumer satisfaction survey includes representative samples of members enrolled in each of the dental plans in Sacramento and Los Angeles Counties. The survey is the Medi-Cal dental equivalent of the Consumer Assessment of Healthcare Providers and Systems Survey as used by the Healthy Families Program, which transitioned into Medi-Cal in 2013. The consumer satisfaction survey collects information on a beneficiary's dental history, which includes plan and provider information within the last 12 months.

The "Survey Planning and Preparation" phase has been in progress since December 2014. Sampling began in late January 2015 and was completed in early February 2015. Between February 2015 and March 2015, surveys were distributed to select



samples of the population enrolled in the DMC delivery system in each of the three (3) DMC plans in Sacramento and Los Angeles Counties. Finalized analytic reports will be submitted to DHCS by the DMC plans in August 2015.

### ***Value-Based Purchasing***

DHCS is participating in discussions regarding Value-Based Purchasing (VBP) incentives for DMC plans and providers. Unlike traditional approaches, VBP consists of a broad set of performance-based payment strategies that link financial incentives to health care providers' performance on a set of defined measures in an effort to achieve better value. VBP is a concept consistent with the recent Triple Aim movement in healthcare. The Triple Aim seeks to provide the services that a patient needs, with good quality and patient satisfaction, at a reduced per capita cost. In addition to DHCS, the California Dental Association, the Children's Dental Health Project, the University of the Pacific School of Dentistry, and other stakeholders are participating in the dialogue regarding VBP and how these strategies may be utilized to enhance the DMC program.

### ***Medi-Cal Dental Dashboard***

The Medi-Cal Dental Dashboard was derived from a grant given by the California HealthCare Foundation. Health Management Associates collaborated with DHCS in developing a dynamic, interactive dental dashboard which monitors the delivery of Medi-Cal dental services. The dashboard allows for easy interpretation and analysis of the Medi-Cal dental data and for more effective monitoring of the dental plans. It provides DHCS with the ability to easily modify parameters and create data visualizations to efficiently answer questions and make informed decisions by determining any driving trends or program issues in Medi-Cal dental care. DHCS plans to develop a custom version of the dental dashboard that meets DHCS's data release guidelines for the public in the second half of calendar year 2015.

### **Conclusion**

DHCS's mission is to provide Californians with access to affordable, high-quality health care, including dental services. DHCS will continue to collaborate with contracted DMC plans, DMHC, legislative partners, federal partners, and stakeholders to ensure that this goal is attained. DHCS will continue close monitoring and oversight of DMC contracts and CAPs to encourage growth in utilization. In addition, DHCS will continue working closely with DMC plans to develop strategies for addressing the challenges in meeting contractual requirements related to performance measures. These efforts remain a high priority for DHCS as we constantly seek to improve services and ensure that Medi-Cal members have patient-centered, coordinated care and are keenly aware of their choices within the DMC program.